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## Housing Crisis Tough To Solve

By Andrew Blazier Staff Writer

DIAMOND BAR - Nearly 200 state and local policy-makers confronted Southern California's growing housing crisis on Friday, but both sides continued to misfire, offering disparate solutions to what they agreed is a common problem.

With the region's soaring housing market forcing greater numbers of middle-income homebuyers to the sidelines, the group, which included for-profit and nonprofit developers, looked for solutions during the **Southern California Association of Governments'** fourth annual Housing Summit.

The 4 1/2-hour conference, held at the **South Coast Air Quality Management District's** headquarters in Diamond Bar, was supposed to help Southland housing players find ways to build more affordable homes and apartments throughout the six-county area. The homes are needed to accommodate an estimated 6 million people who will move to Southern California by 2030, officials said.

"The market is screaming: Build more houses everywhere,' Bart Doyle, a former two-time mayor of Sierra Madre, said during a one-hour panel discussion of government efforts to make a dent in the region's housing shortage. "There is adequate capital available for all of these developments.'

Already, builders statewide construct 143,000 new homes each year - far short of the 250,000 that are needed annually, according to the **California Building Industry Association**.

Meanwhile, an annual income of at least \$97,340 is needed to buy the state's median-priced home of \$428,000, the **California Association of Realtors** estimates. That means the median California household must nearly double its yearly gross income of \$52,000.

Despite the widely acknowledged lack of housing, regional developers, economists and planners complained repeatedly Friday that local cities are receiving many more proposals for new housing projects than are being approved.

Some economists claim Southland cities are choosing retail developments over new housing primarily because of the potential for increased sales tax revenue. In response, Gov. Arnold Schwarzenegger has proposed replacing the portion of sales tax used to fund city budgets with a percentage of the state property tax. The switch could be used to encourage cities to develop additional housing units.

"What we're lacking in Sacramento is a really firm direction on where to go,' said State Sen. Dennis Hollingsworth, R-Murrieta, who serves as vice-chairman of the Senate Housing Committee. "The question is, who is going to do that?'

One idea currently before California legislators would levy fines against cities that fail to approve the state-mandated minimum number of affordable housing units. Another would require cities to approve certain housing proposals if they meet local zoning requirements.

But Richard Dixon, a Lake Forest city councilman, said unnecessary state intervention will not solve housing abuses by some city governments.

"Not all cities are always chasing the sales tax dollar,' Nixon said. "I just don't think we need statewide legislation mandating action on problems that affect a minority, not the majority.'

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